

Client Guide to Selling a House in Scotland

At Strefford Tulips we recognise that whether you are selling your first home or an aspiring property developer selling a house can be an overwhelming process and we are here to help! The process involves accepting the right offer, arranging a home report and agreeing on the terms of the contract. We will explain the process step by step and give you expert advice throughout the whole transaction. Below we have created a guide to steer you through the main steps involved in selling a house in Scotland.

Home Report

Since 1 December 2008 most houses or flats which are marketed for sale in Scotland require to have a Home Report. There are three parts to the report: a single survey of the property, an energy report and a property questionnaire.

Your Home Report must be no more than 12 weeks old when the property is put on the market to ensure that any potential buyer has the most up-to-date information.

As the Seller it is your responsibility to arrange for the Home Report, bare the costs and ensure it is available for all potential buyers. Producing a Home Report will cost between £500 - £800. The cost will depend on the size of your home and the surveyor you decide to use.

Your chosen Estate Agent will be able to help you through the process of obtaining a Home Report.

Accepting the right Offer

Once you have arranged your Home Report and put your property on the market your Estate Agent will begin to receive offers to purchase from prospective buyers.

The offers will of course include a proposed purchase price. The offer may provide for the purchase price to include specific items. For example the buyer may wish for white goods to be included in the purchase price. You should consider if you are agreeable to parting with all specific items listed before accepting the offer.

The offer may also include suspensive conditions. These are conditions which the buyer must fulfil before they will be legally bound to purchase the property from you. For example, the offer may be subject to the buyer obtaining mortgage funding or their own independent survey.

The offer will also detail a preferred date of entry. Again, this is something you should take into consideration – especially if you have a date of entry for a purchase agreed.

You should consider all aspects of the offer carefully before accepting - it may be that the offer with the highest purchase price is not the best one for you!

Agreeing the Contract

Once you have verbally accepted an offer we will receive a copy of the written offer from your Estate Agents. We will then examine the offer, post a copy to you with an instruction sheet to complete, sign and return. Upon return of the instruction sheet duly completed and signed we will contact you to discuss the offer in detail with you and confirm your instructions. At this point we would require to

disclose all specific details about the property to the purchaser, for example any alterations carried out on the property.

Once we have discussed the offer with you and received your instructions we will start the process of exchanging formal letters with the purchasers' solicitor. The exchange of formal letters would then continue until there are no outstanding points.

The contract, known as 'the missives', would then be legally binding. We would advise that the timescales involved in concluding your missives can take a few weeks (perhaps longer) as this will depend on your purchaser's situation. If your purchaser requires a mortgage and/or to sell their own home they must have this all in place before they will be in a position to enter into a binding contract to purchase your home.

The Conveyancing

Once the contract has been agreed we will take all necessary steps to prepare your file for the date of entry – 'the conveyancing'.

As the seller you will be required to provide to the purchaser all Title Deeds for the property for examination by the purchasers' solicitor. The Title Deeds will be held by your lender and we will of course contact your lender to obtain the Title Deeds and provide them to the purchasers' solicitor on your behalf.

You will also be required to provide the seller with a multisearch for the property consisting of; a Legal Report, Property Enquiry Certificate and Coal Report, unless otherwise agreed. Again this is something we would undertake on your behalf. The current cost of a multisearch is £145 including VAT. **(A cost you would not have to meet until completion).**

We will also prepare all required legal documentation including the deed which discharges the Standard Security in favour of your lender, known as a 'Discharge'. Furthermore, we will receive from the purchaser's solicitor the deed which transfers your ownership of the property to the purchaser, known as the 'Disposition', which we will revise accordingly. At this point we will contact you to arrange to have the required deeds signed and talk you through the documentation in more detail.

Redeeming your mortgage

If you have a mortgage on the property you will require to redeem this in order to have the Standard Security listed on your Title in favour of your lender discharged, as mentioned above. Again, this is a process we would undertake on your behalf.

We will obtain a redemption figure from your lender as at the date of entry and will of course forward a copy of the redemption to you for your records. Once your transaction has completed we will use your sale proceeds to pay the redemption figure to your lender on your behalf.

Factoring Fee's

If your property is serviced by a factor we will contact the factor to advise them of the change of ownership and obtain a final account to the date of entry.

The factors invoice will required to be paid by you from your sale proceeds. Again, this is something we will take care of on your behalf.

Council Tax

You will be required, on your own account, to contact your Local Authority to advise them of the change of ownership and ensure your council tax account is settled at the date of entry.

Completion and Final Steps

In the run up to completion we will prepare a Cash Account which will include a breakdown of the funds we have received from the purchaser and all deductions in respect of fees and outlays which we have agreed with you, including the redemption of your mortgage, any estate agency fees and factoring invoices. This will then leave a final amount owed to you.

In the event that your fees and outlays outweigh your sale proceeds we will require you to meet the outstanding balance.

Prior to the date of entry you would be required to vacate the property and leave the keys with your Estate Agent for collection by the purchaser. Once we have received all sale proceeds from the purchasers' solicitor we will contact your Estate Agent to advise them that the keys can be collected from the purchaser and of course confirm with you that the transaction is now complete.

Finally, we will pay the final amount owed to you by cheque or a nominated bank account. **(Please note there is £12.00 bank transfer fee if you opt for payment by bank transfer).**

Please remember we are here to help you throughout your sale journey so at any time you have a question or query please do not hesitate to contact you and we will be more than happy to assist!